REMARKS

Applicants respectfully request favorable reconsideration of the above-captioned application.

In this amendment, claims 1-20 remain pending, and new Claim 21 has been added. Therefore, claims 1-21 are now presented for consideration. Of these, claims 1 and 21 are the independent claims.

In the Office Action, Claims 1 and 4-20 were rejected as being obvious over U.S. Patent No. 6,343,278 to Jain et al. in view of U.S. Patent Application Publication US 2001/0042037 to Kam et al. Claim 2 was rejected over Jain et al. and Kam et al. in view of U.S. Patent No. 6,691,094 to Herschkorn. Claim 3 was rejected over Jain et al. and Kam et al. in view of U.S. Patent No. 6,317,728 to Kane. Applicants respectfully traverse these rejections and submit that original independent claim 1, together with the remaining claims dependent thereon, and new independent claim 21 are patentably distinct from the cited prior art, for the following reasons.

The present invention as defined in original independent claim 1 is directed to a n interest determination system that performs daily calculation of account interest with a single monthly processing of client charges. The system comprises at least one processor configured to calculate daily account interest based on interest rate data and an account balance for each particular day in response to instructions provided by at least one user, and at least one memory device coupled to the processor and configured to store and provide access to instructions dictating at least some part of operation of the system.

The system further comprises at least one system interface coupled to the processor and configured to receive data for use in calculating account interest and transmit calculated account interest data to other systems, and at least one user interface coupled to the processor, including

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at least one graphical user interface and configured to receive the instructions from the at least

one user and output interest rate data and account interest data to the at least one user, wherein

the at least one processor is configured to control operation control at least some part of

operation of the at least one system interface and the at least one user interface based on

instructions stored in the at least one memory device.

The Office Action cites to Jain et al. as disclosing an interest determination system that

performs monthly calculation of account interest, citing to column 5, lines 35-67. Applicants

believe that this section refers to three-month periods, but in any event respectfully note that the

present specification acknowledges that monthly calculations which involve "merely multiplying

the average monthly blended interest rate by the average monthly balance" are known. *See* page

5, paragraph [0049], lines 1-4; page 2, paragraph [0007].

The Office Action further cites to Kam et al. as disclosing "daily calculation of interest

rate." The Office Action cites to paragraph [0164]. Applicants respectfully disagree. This

paragraph [0164] extends from page 14, right-hand column to page 15, right-hand column. The

lines that Office Action appears to be referring to are on page 15, lines 2-7, as follows:

> "End of day fantasy cash balances in competition portfolios at [sic] will earn
> annual interest based on the Federal Funds Rate, less 3%. The Federal Funds
> Rate is currently set at 5.75%. Interest is calculated daily and credited
> monthly."

Applicants respectfully point out that this disclosure states that *interest* is calculated

daily; it does not state that the *interest rate* is calculated daily. Moreover, the example given is

the Federal Funds Rate at 5.75%.

In any event, Applicants agree that there are daily interest rates. *See.* e.g., paragraph

[0003], page 1. What the prior art does not teach or suggest, however, is that the daily interest

rate applied to the daily account balance be provided in a system along with a single monthly

processing of client charges, as recited in independent claim 1. This combination provides distinct advantages and superior results over the prior art, as noted in paragraph [0049] *et seq*.

Applicants respectfully note that the Office Action does not provide any basis or rationale why it would have been obvious to combine a daily interest rate applied to the daily account balance in a system along with a single monthly processing of client charges. The mere fact that such a combination is advantageous is not proof of obviousness. Therefore, it is believed that combining these features without a supporting rationale involves the impermissible use of hindsight, and therefore cannot stand as a showing of obviousness.

Claims 2-20 depend from independent claim 1 and partake of its novelty.

The present invention as defined in new independent claim 21 is directed to an interest determination system for performing daily calculation of account interest with a single multiple-day term processing of client charges. The system comprises at least one processor for calculating daily account interest data attributable to an account of a user for a particular day, the calculated daily account interest data being based on interest rate data for the account on the particular day and an account balance of the account for the particular day.

The system further comprises at least one memory device coupled to the processor for storing instructions usable by the processor for controlling respective parts of operation of the system, at least one user interface coupled to the processor, the user interface including at least one graphical user interface and being for receiving instructions from the user, the user interface further being for outputting interest rate data and account interest data to the user, and at least one system interface coupled to the processor for receiving data usable for calculating account interest data and for transmitting calculated account interest data to other systems, wherein the

processor performs a single multiple-day term processing of client charges for the user based on the calculated daily account interest data for the days of a respective multiple-day term.

Thus, independent claim 21 is broader than independent claim 1 in certain respects, such as reciting the processor as performing a single multiple-day term processing of client charges, as opposed to monthly processing. However, Applicants believe that the above arguments given in support of claim 1 apply with equal validity to independent claim 21, which is therefore patentably distinct from Jain et al. and Kam et al.

Applicants have reviewed the other prior art of record and have found nothing therein that would remedy the above-noted deficiencies of Jain et al. and Kam et al. as references against the present claims.

In view of the above remarks, Applicants respectfully submit that claims 1-21 are patentably distinct from the prior art of record. The Examiner is respectfully requested to pass this case to issue.

If any fee is due for this filing, please charge the LARGE ENTITY fee therefor to Deposit Account No. 16-2500 of the undersigned.

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Respectfully submitted
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